

U.S. General Services Administration (GSA)

PRESIDENTIAL TRANSITION “HOT ISSUES” INFORMATION PAPER

SUBJECT: FedStat/Benchmarking Sustainment

1. BACKGROUND:

Benchmarking, which covers the 24 CFO Act Agencies, seeks to improve administrative efficiency and increase the adoption of effective management practices by establishing cost, quality, and customer satisfaction benchmarks for mission-support operations, giving agency decision makers better data to set priorities, allocate resources, and improve processes.

The Benchmarking initiative has been successful in hitting key milestones and improving outputs relative to the prior year--for example, all agencies received their benchmarking summary reports earlier than last year, and the Benchmarking web site was likewise updated and available much earlier this year. Currently the team is focused on our priorities for the rest of the year:

- Cross government analysis in the “State of the Function” reports (covering major administrative function areas such as financial management, human resource management, acquisition, IT and real property)
- Identifying leading practices in human capital management
- Increasing agency use of metrics, and
- Planning for the future state of Benchmarking.

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2. SCOPE AND EFFECT:

a. Impact on GSA’s Customers:

- The 24 CFO Act agencies now have a robust multi-year data resource to inform decisions that directly affect the performance of mission-support functions (contracting, financial management, human capital, IT, real property). The effectiveness of administrative functions, in turn, directly impacts agencies’ ability to deliver successfully on their mission. By providing visibility and insight into business decisions such as resource allocation, project prioritization, customer service strategies, and delivery models, agency CXOs can save money and ensure reliable support of the mission.

b. Impact on GSA’s Customers:

- The Benchmarking initiative saves taxpayer dollars by making it easier for agencies to identify and achieve opportunities for cost savings. The transparency generated by the benchmarking data creates accountability for agencies to address high costs. The magnitude of cost savings generated is difficult to measure. Because many agencies are incorporating the benchmark metrics into their own dashboards and decision processes, impacts are

somewhat diffuse. In addition, the availability of the benchmark data is but one factor in achieving cost savings or cost avoidance.

- U.S. citizens benefit from higher-quality government services because the benchmarks are enabling agencies to improve the support services which underpin mission- and service delivery.

3. ACTION(S) PLANNED OR REQUIRED:

Individual agencies are integrating the benchmarking data into their own internal management reviews and decision making processes. For example, data has been used to drive agency decisions to consolidate spend and, in some cases, to move to shared services. It also has been a key input into contract negotiations with vendors around pricing and SLAs. In addition, Benchmarking data has played a critical role in supporting the case for two government-wide policies: OPM's Hiring Excellence Initiative and OMB Guidance on Invoice Automation.

The GSA Benchmarking team will, in coordination with our internal partners identified below, continue to expand and enhance this effort to make the government more effective and efficient.

While GSA does not fund the bulk of the benchmarking initiative, its role in incubating and supporting the project's implementation is critical.

- OGP's Office of Evidence and Analysis continues to provide database and analytical support to maximize the practical value derived from the data asset, and to generate compelling deliverables that agencies and OMB/EOP can use to inform decision making and policy formulation.
- GSA's D2D platform continues to provide a reliable technology platform for benchmarks.gsa.gov, as the team expands the site's functionality and user experience.
- GSA's customer experience team helps with administration of an annual government-wide customer satisfaction survey.
- GSA's leaders continue to incorporate the benchmarks into their own CXO dashboards and serve as a model for other agencies in using the data for decisions.

4. KEY STAKEHOLDER INTEREST:

Executive Office of the President - The Office of Management and Budget's Deputy Director for Management and heads of management policy offices (Office of Presidential Personnel Management, Office of the Federal Chief Information Officer, Office of Federal Procurement Policy, Office of Federal Financial Management) - The benchmarking data enables them to understand the areas of greatest need within each support function on a cross-agency basis. Can inform their policymaking activities by helping to prioritize challenges and surface effective solutions.

Interagency Management Councils - CXO Councils are able to learn about areas of collective underperformance from the data as well as which agencies are performing well on cost and quality / customer satisfaction of support services. Research can then identify qualitative practices that are driving performance at the leading agencies, and share recommendations throughout the Federal-wide CXO Community.

Department/Agency Leadership - Agency COOs (Deputy Secretaries, Assistant Secretaries for Management, etc.) and CXOs stand to benefit from having access to comparison data,

which allows them to diagnose and target areas of relative underperformance in their various mission-support service areas. They can also use year-over-year data to monitor trends and assess whether their actions are having the intended effect. In addition, agencies can assess vendor performance against standards more effectively.

5. FISCAL YEAR 2017/2018 BUDGET IMPACT:

Since the effort launched in 2014, funding for the Benchmarking Initiative has come largely from the CXO Councils budgets, collected from the 24 CFO Act agencies each year. It does not come from GSA appropriations. That said, OGP provides support to the Benchmarking initiative by staffing some of the work with personnel from the Office of Evidence and Analysis, particularly during crunch periods. This support is very important to ensure the integrity of the data and the quality of the resulting analysis used by OMB and the 24 CFO Act agencies. This support model is also consistent with the government-wide mission of OGP.